

(f) Producer and Morrell shall consult with each other concerning any temporary inability to take or deliver weekly deliveries.

SECTION 6. VERIFICATION OF HOG QUANTITY AND QUALITY.

(a) Morrell will permit Producer a reasonable number of scheduled visits to Morrell's plants during normal operating hours to observe the handling and processing of the hogs delivered under this Agreement so long as prior notice is given to Morrell, and provided that such visits do not unreasonably interfere with the operation of such facilities.

(b) Producer will permit Morrell a reasonable number or scheduled visits to Producer's facilities during normal operating hours to observe and monitor production and quality so long as prior notice is given to Producer, and provided that such visits do not unreasonably interfere with the operation of such facilities. Producer agrees to provide Morrell on request reasonable information relating to its production management practices.

SECTION 7. PRICE. The price payable by Morrell for Market Hogs delivered by Producer and accepted by Morrell under this Agreement shall be the price determined in accordance with Schedule C attached hereto and incorporated by reference herein. The price shall be payable within five (5) business days of delivery. If Morrell fails to make a required payment within such five-day period, Producer may suspend deliveries of hogs hereunder, but the exercise of such right shall be in addition to any and all other remedies available to Producer under this Agreement.

SECTION 8. DEFAULT.

(a) *Producer Defaults.* Any of the following events or circumstances shall constitute a default of this Agreement by Producer:

(i) a material failure by Producer to perform any of its obligations under Section 3(a) (i); or

(ii) the failure by Producer to meet any ten (10) week average live weight and yield requirement specified on Schedule B; or

(iii) the failure of Producer to perform any other obligation under this Agreement and the failure of Producer to cure such failure within